



## **PRESS RELEASE**

### **SPH REIT'S ACQUISITION – THE RAIL MALL**

#### **Highlights:**

- Yield-accretive acquisition
- Cluster of shop units with established F&B offerings

**Singapore, 30 April 2018** – SPH REIT Management Pte. Ltd., the Manager of SPH REIT (“the REIT Manager”), is pleased to announce that DBS Trustee Limited, in its capacity as Trustee of SPH REIT, has today entered into a sale and purchase agreement with Pulau Properties (Pte) Ltd., to acquire a 99-year leasehold estate commencing from 18 March 1947 in The Rail Mall, for S\$63.238 million (the “Purchase Consideration”, “Proposed Acquisition”).

The Purchase Consideration was negotiated on a willing-buyer, willing-seller basis. The independent valuer Edmund Tie & Company (SEA) Pte Ltd, appointed by the Trustee, “as-is” valuation is S\$62.9million.

The Proposed Acquisition will be funded by a combination of debt and internal resources. It is expected to be Distribution Per Unit (“DPU”) accretive to the unitholders of SPH REIT.

#### **ABOUT THE PROPERTY**

The Rail Mall is a retail strip, with a 360-metre prominent road frontage to Upper Bukit Timah Road, comprising 43 single-storey shop units and 95 private carpark lots. One of the key access points to the Rail Corridor is located within a short walking distance from The Rail Mall.

The Rail Mall has a total net lettable area of approximately 50,000 square feet. It is a 99-year leasehold property commencing 18 March 1947.

It is well served by the Hillview MRT station about 250 metres away and a network of public bus services. Accessibility is further enhanced by its proximity to the Bukit Timah Expressway (BKE) and Pan Island Expressway (PIE).

Ms Susan Leng, Chief Executive Officer of the REIT Manager said: “The Rail Mall is a unique cluster of shop units, with opportunity for SPH REIT to further strengthen its current F&B offerings.

We believe a well-curated mix of F&B concepts complemented with services will serve the immediate established Hillview and Upper Bukit Timah community well.

In addition, SPH REIT, will intensify community programs leveraging on the Rail Corridor to attract a wider catchment, as it is well served by the public transport network and accessibility to expressways.

The acquisition is in-line with SPH REIT’s mission to provide unitholders with regular and stable distributions. The potential to create a differentiated positioning at The Rail Mall would complement our existing portfolio of quality income-producing retail properties, comprising Paragon and The Clementi Mall.”

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## **ABOUT SPH REIT**

SPH REIT is a Singapore-based real estate investment trust established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets.

Its portfolio of properties comprises a 99-year leasehold interest in Paragon commencing on 24 July 2013 and a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010. Valued at S\$3.278 billion with an aggregate net lettable area of approximately 910,000 sq ft, the properties have a committed occupancy of 100% and have a diverse and high quality tenant base of about 460 local and international retailers and medical specialists.

Visit SPH REIT's website at [www.sphreit.com.sg](http://www.sphreit.com.sg) for more details.

## **ABOUT THE REIT MANAGER: SPH REIT MANAGEMENT PTE. LTD.**

SPH REIT is managed by SPH REIT Management Pte. Ltd., a wholly-owned subsidiary of Singapore Press Holdings Limited. The Manager's key objective for SPH REIT is to provide Unitholders with regular and stable distributions, and sustainable long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

## **ABOUT THE SPONSOR: SINGAPORE PRESS HOLDINGS**

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms.

SPH's core business is publishing of newspapers, magazines and books in both print and digital editions. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the property front, SPH owns 70% in a real estate investment trust called SPH REIT which comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road and The Clementi Mall, a mid-market suburban mall. SPH also owns and operates The Seletar Mall. It built an upmarket residential condominium, Sky@eleven, at Thomson Road, and is developing a new commercial cum residential site at Woodleigh Road. It also has a stake in Chinatown Point.

It is in the aged care sector and owns Orange Valley, Singapore's largest private nursing home operator.

SPH runs a regional events arm and a chain of Buzz retail outlets. It also invested in the education business.

For more information, please visit [www.sph.com.sg](http://www.sph.com.sg).

## **IMPORTANT NOTICE**

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.